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October 27, 1999

Mary L. Cottrell, Secretary  
Department of Telecommunications and Energy  
One South Station, 2nd Floor  
Boston, Massachusetts 02110

Re: Cambridge Electric Light Company /Commonwealth Electric Company Petition for Approval of Buydown of Power Contract with Canal Electric Company for Seabrook Unit No. 1 Power; D.T.E. 99-\_\_\_\_\_

Dear Secretary Cottrell:

Cambridge Electric Light Company ("Cambridge") and Commonwealth Electric Company ("Commonwealth", together the "Companies") hereby file with the Department of Telecommunications and Energy ("Department") their Petition for Approval of Buydown of Power Contract with Canal Electric Company for Seabrook Unit No. 1 Power (the "Petition"). This sixth amendment to the power contract with Canal Electric Company ("Canal") (the "Buydown Agreement") provides for a buydown of the purchase power contract with Canal in furtherance of the Companies' efforts to mitigate transition costs, in compliance with the requirements of Chapter 164 of the Acts of 1997.

As described in more detail in the Petition and accompanying appendices, Cambridge and Commonwealth will each make a lump-sum payment to Canal in exchange for Canal's reduction of the demand component of the existing Seabrook power contract through a total reduction of the investment base of approximately \$74.2 million. Approval of the Petition will result in a reduction of the overall level of transition charges paid by Cambridge's customers of approximately \$1.9 million on a net-present-value basis; with similar savings for Commonwealth's customers of approximately \$11.6 million on a net-present-value basis. The sixth amendment also would allow for changes in the schedule of decommissioning costs allocable under the Seabrook power contract without the need for an amendment every time a change in such schedule is determined. Any changes in the schedule of decommissioning costs would be as determined by a regulatory agency with jurisdiction over setting such costs.

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Accompanying the Petition are: (1) a copy of the Buydown Agreement (Appendix 1); (2) a copy of the existing contract for Seabrook power between Canal and the Companies (Appendix 2); and (3) the economic analysis supporting the customer savings resulting from the Buydown Agreement (Appendix 3(a) and 3(b)). The Companies enclose an original and nine (9) copies of the Petition and supporting documents and a check in the amount of \$100 for the required filing fee.

Any correspondence with regard to this filing should be directed to the following:

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Thank you for your attention to this matter

Very truly yours,

John Cope-Flanagan

Enclosures

cc: D. P. U. /D. T. E. 97-111 service list

D. T. E. 98-78/83 service list